

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

<div>SECURITIES INVESTOR PROTECTION CORPORATION,</div> <div>Plaintiff-Applicant,</div> <div>v.</div> <div>BERNARD L. MADOFF INVESTMENT SECURITIES LLC,</div> <div>Defendant.</div>	<div>No. 08-01789 (SMB)</div> <div>SIPA LIQUIDATION</div> <div>(Substantively Consolidated)</div>
<div>In re:</div> <div>BERNARD L. MADOFF,</div> <div>Debtor.</div>	
<div>IRVING H. PICARD, Trustee for the Substantively Consolidated SIPA Liquidation of Bernard L. Madoff Investment Securities LLC and Bernard L. Madoff,</div> <div>Plaintiff,</div> <div>v.</div> <div>CAROL NELSON,</div> <div>Defendant.</div>	<div>Adv. Pro. No. 10-04658 (SMB)</div>
<div>IRVING H. PICARD, Trustee for the Substantively Consolidated SIPA Liquidation of Bernard L. Madoff Investment Securities LLC and Bernard L. Madoff,</div> <div>Plaintiff,</div> <div>v.</div> <div>CAROL NELSON, individually and as joint tenant; and STANLEY NELSON, individually and as joint tenant,</div> <div>Defendants.</div>	<div>Adv. Pro. No. 10-04377 (SMB)</div>

MEDIATOR'S FINAL REPORT

Francis G. Conrad, the court-appointed mediator in the above-captioned adversary proceedings (the "Adversary Proceedings") submits this final report pursuant to Local Rule

9019-1 and section 3.4 of the Procedures Governing Mediation of Matters of the United States Bankruptcy Court for the Southern District of New York and reports as follows:

1. The mediation of the Adversary Proceedings took place on March 8, 2017 at the offices of Baker & Hostetler LLP in New York, New York.

2. The defendants did not mediate in good faith. A nuisance offer was submitted as a response to my requirement that there be an offer of settlement. In addition, some of the facts alleged by the defendants were not factually correct. While I believe counsel sincerely asserts her positions in good faith, the offered positions fly in the face of the true facts and current precedent in the case. Upon information and belief all parties otherwise complied with all relevant orders governing the mediation including the Bankruptcy Court's Order entered November 10, 2010 (1) Establishing Litigation Case Management Procedures for Avoidance Actions and (2) Amending the February 16, 2010 Protective Order, but were unable to reach a mutually satisfactory resolution of the disputes involved in the Adversary Proceeding.

3. The mediator has concluded that there would be no further point to continuing the mediation and by agreement of the parties and the mediator, the mediation is concluded.

Dated: March 10th 2017
New York, New York

/s/ Francis G. Conrad
Francis G. Conrad, Mediator